

**Department of
Veterans Affairs**

Memorandum

Date: November 05, 2014

From: Director, Dallas Audit Operations Division (52DA)

Subj: Close-Out Memo: Review Of Alleged Billings To Third Party Insurance Providers For Service-Connected Care (Project # 2014-04819-R6-0236)

To: Director, Hotline Division (53E)

1. In May 2014, the Office of Inspector General (OIG) received an allegation that the WCPAC billed approximately \$50,000 to a veteran's insurance provider for service-connected care. The allegation further stated that his insurance provider paid about \$5,000 to the WCPAC.
2. We substantiated an allegation that the West Consolidated Patient Accounting Center (WCPAC) issued 10 bills to the veteran's insurance provider totaling approximately \$9,000 for service-connected care and received payments totaling about \$2,900. However, pursuant to Title 42 U.S. Code § 2651, the government may not bill a third party insurance provider for service-connected care.
3. The veteran's rating decision letter was not included in the Virtual VA—a system used by the CPAC nurses to review veteran's service connections—which impacted the nurse's ability to make an informed decision regarding the veteran's episodes of care. We obtained the letter from the Records Management Center and provided it to the WCPAC staff, who agreed the veteran's care was service connected, and took immediate action to cancel the remaining bills and refunded \$2,900 to the veteran's insurance provider.
4. If you have questions or wish to discuss the issues in this close-out memo, please contact Ms. Heather Jones, Audit Manager at (b) (6) or me at (b) (6). We appreciate the cooperation extended to us by your staff during this review.



Mario Carbone
Director—Dallas Audit Operations Division (52DA)